

# September 30, 2026 Behavioral Health Integration All-Stakeholder Information Session – Q&A

## Phase 2 and Phase 3 scope

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### Which programs are moving to managed care?

BH integration is taking place in phases. The following services have moved, or will move, to managed care coverage:

- Phase 1 (January 1, 2025): Outpatient mental health and substance use disorder (SUD) services for adults and children, including outpatient counseling/psychotherapy, partial care, partial hospitalization, SUD intensive outpatient, and ambulatory withdrawal management.
- SUD laboratory services (July 1, 2026): Presumptive and definitive drug tests (80305, 80306, 80307, G0480, G0481) billed with an SUD diagnosis.
- Phase 2 (January 1, 2027): SUD medically monitored inpatient withdrawal management, SUD short-term residential, SUD long-term residential, and Opioid Treatment Programs (OTPs).

Services under consideration for Phase 3 include Adult Mental Health Rehabilitation, Opioid Overdose Recovery Programs, Psychiatric Emergency Screening Services, Behavioral Health Homes, Community Support Services, Certified Community Behavioral Health Clinics, and targeted case management (e.g., PACT, ICMS, CSOC). No decisions have been made about which of these services will be integrated. The scope and timing of Phase 3 will be determined after Phase 1 and Phase 2 go-live, based on additional analysis and stakeholder input.

## Prior authorization

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### Which Phase 2 services will require prior authorization?

Starting at go-live on January 1, 2027, providers must submit prior authorization (PA) requests to managed care organizations (MCOs) for SUD medically monitored inpatient withdrawal management (MMIW), SUD short-term residential (STR), and SUD long-term residential (LTR). PAs are not required for OTP services and MCOs are not permitted to introduce PA requirements for OTP services. All authorizations active at go-live will remain active.

During the first 60 days after go-live, as long as a PA request is submitted fulfilling all administrative requirements, MCOs will be required to approve the first prior authorization request after go-live that a provider is submitting to the MCO for the member. This includes all initial authorizations during the first 60 days, or, if a member has already had an initial authorization prior to go-live, the first extension authorization for that member as long as it is within the first 60 days.

If an MCO would have denied a prior authorization for clinical reasons during this period, they will provide feedback saying why. We ask providers incorporate this feedback from MCOs into future submissions as a point of education to support members receiving timely authorizations in future.

## Rates

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### Are any MCOs paying more than the Medicaid rate, and for which services?

For Phase 1 services (Mental Health and Substance Use Disorder outpatient services), the transition period has ended and while in-network providers must be paid at least the Medicaid fee-for-service rate, MCOs may pay out-of-network providers less than the FFS rate floor.

For Phase 2 services (SUD residential & opioid treatment programs),

- During transition, which will last at least six months, MCOs are required to pay in-network & out of network providers at or above the Medicaid FFS rate.
- Post-transition, MCOs must reimburse all in-network providers at least at the FFS rate floor.

For SUD labs services,

- During transition, MCOs are required to pay in-network and out-of-network providers at or above the Medicaid FFS rate.
- Post-transition, MCOs may negotiate lab rates that differ from the FFS rate floor.

## **SUD laboratory services**

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### **Is required daily lab pick-up provided regardless of volume, or is there a minimum?**

Under the State's minimum service level requirements, all in-network labs must provide daily on-site specimen pick-up at ordering providers, unless the ordering provider requests less frequent pick-up. The standard does not set a minimum specimen volume.

If an in-network lab is not meeting this standard, providers should raise it with the member's MCO and, if unresolved, with DMAHS at [DMAHS.SUDLabIntegration@dhs.nj.gov](mailto:DMAHS.SUDLabIntegration@dhs.nj.gov).